#### COMMONWEALTH OF KENTUCKY

### BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PINE TREE MOBILE HOME COURT SEWAGE TREATMENT FACILITIES	)
	) ) CASE NO. 96-456
INVESTIGATION INTO THE JURISDICTIONAL STATUS	) )

### ORDER

Commission Staff conducted a field investigation of the sewage treatment facilities at the Pine Tree Mobile Home Court on June 30, 1995. In its investigation report, which is appended hereto, Commission Staff found that Joseph Crutcher is the owner of Pine Tree Mobile Home Court, which has about 62 residents. These residents are served by a wastewater treatment system consisting of one 1,000 gallon septic tank for every six trailers. At the time of the investigation, the residents were billed monthly for sewer service at the rate of 80 percent of water usage for the first 2,000 gallons and one-half cent per gallon used for any usage over 2,000 gallons. These rates were scheduled to increase to one-half cent per gallon used for 1,000 to 2,000 gallons, one and one-half cents per gallon used for 2,000 to 3,000 gallons, and three cents per gallon used for 3,000 to 4,000 gallons. Anyone using over 4,000 gallons per month would be requested to move. The customers were also billed separately for water service. The bills, which were handwritten by Mr. Crutcher and sent the first of every month, are broken down into lot rent, water, and sewer costs, and then totaled.

All utilities in Kentucky are subject to the jurisdiction of the Public Service Commission pursuant to KRS 278.040. KRS 278.010 defines a utility as:

[A]ny person except a city who owns, controls, or operates or manages any facility used or to be used in connection with:

The diverting, developing, pumping, impounding, distributing, or furnishing of water to or for the public, for compensation;

[or]

The treatment of sewage for the public, for compensation, if the facility is a subdivision treatment facility plant, located in a county containing a city of the first class or a sewage treatment facility located in any other county and is not subject to regulation by a metropolitan sewer district.

Based on the Commission Staff's field investigation, it appears that Pine Tree Mobile Home Court provides both water and sewer service to the public for compensation. If this is indeed the case, Pine Tree Mobile Home Court is a utility subject to the Commission's jurisdiction.

### IT IS THEREFORE ORDERED that:

- 1. A hearing in this matter shall be held on November 7, 1996 at 10:00 a.m., Eastern Standard Time, in Hearing Room 2 of the Commission's offices at 677 Comanche Trail, Frankfort, Kentucky, for the purpose of determining the jurisdictional status of the Pine Tree Mobile Home Court wastewater treatment system and water service.
- 2. Joseph Crutcher shall submit to the Commission, within 20 days of the date of this Order, a written response to the statements contained herein and to the contents of the Investigation Report.

3. The Investigation Report of July 6, 1995, which is appended hereto, is made part of the record of this proceeding.

4. Any motion requesting an informal conference with Commission Staff to consider the simplification of issues or any other matters which may aid in the handling or disposition of this proceeding shall be filed with the Commission no later that 20 days from the date of this Order.

Done at Frankfort, Kentucky, this 20th day of September, 1996.

PUBLIC SERVICE COMMISSION

Chairman

Vice Chairman

Commissioner

ATTEST:

**Executive Director** 

#### APPENDIX

AN APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 96-456 DATED SEPTEMBER 20, 1996

Commonwealth of Kentucky Public Service Commission

# NON-JURISDICTIONAL UTILITY INVESTIGATION REPORT

Pine Tree Mobile Home Court Elizabethtown, Kentucky

### <u>Brief</u>

On June 28, 1995, the Public Service Commission ("Commission") received a telephone call from a Mrs. Katrina Hill complaining about a proposed rate increase in her sewer bill by the Pine Tree Mobile Home Court ("Pine Tree"). Pine Tree is located approximately 1.75 miles from the intersection of U. S. Highway 31W/Munfordville Road and KY Highway 210/Hodgenville Road on KY Highway 210 in Hardin County (see attached map) and serves about 62 residents.

The Commission having no knowledge of the above small waste-water treatment system was concerned about the existence of a small utility that may be operating in violation of its rules and regulations. The Commission deemed it advisable to initiate an investigation to determine (a) if the utility is operating as a public utility pursuant to state law and regulations and (b) the conditions which the utility is operating at the current time. The investigation was conducted on June 30, 1995.

This investigation included researching Commission records, an on-site inspection, talking by telephone to Mrs. Katrina Hill (complainant) and to Mr. Joseph Crutcher, owner of Pine Tree Mobile Home Court. During the investigation the following information was established:

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- 1. The wastewater treatment system consists of one 1,000gallon septic tank for every 6 trailers.
  - 2. The existing rates are as follows:

First 2,000 gallons - 80% of water usage Over 2,000 gallons - 1/2 cent per gallon used

3. The proposed rates:

1,000 - 2,000 gallons - 1/2 cent per gallon used 2,000 - 3,000 gallons - 1 1/2 cents per gallon used 3,000 - 4,000 gallons - 3 cents per gallon used

Anything over 4,000 gallons request that they move. System not large enough for larger amounts.

- 4. Sewer bills are hand written by Mr. Crutcher.
- Bills are sent first of every month.
- 6. Bills to customers are broken down and shows the following:

Lot Rent - Cost Water - Cost Sewer - Cost

Total \$

- 7. On July 5, 1995, I was contacted by Mr. Joseph Crutcher and he told me that he was changing his billing method. In the new billing method water usage cost and sewer usage cost will be included in the lot rent.
  - 8. Attached are the following items:
    - a. Pine Tree "Rules and Regulations" for lot renters
    - b. Late charge notice

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- Proposed rate increase notice c.
- d. Copy of billing

## Conclusion

The office of the General Counsel should determine this utility's status and take the appropriate action.

Submitted, July 6, 1995

Larry N. Updike Utility Investigator

LNU:aem

#### PINETREE MOBILE HOME COURT

### "Rules and Regulations for Lot Renters"

### GENERAL

- 1. Rent is payable in advance. All rent is to be paid by the 5th of every month. A penalty of \$5.00 per week will be charged to your rent delinquer after the 5th of the month. A service charge of \$5.00 will be added on all returned checks.
- 2. All residents must notify the management as far in advance as possible whe leaving the Park. No rent refund will be made except prior to leaving the Park by the 15th of the month upon previous notice of vacating.
- 3. No loud parties, or other excess noise will be allowed at any time.
- 4. Drunkenness or any acts of immoral conduct will not be tolerated.
- 5. Residents of the Park are responsible for the conduct of their guests.
- 6. No shooting of fire arms or beebee guns within the limits of the Park.
- 7. NO YARD SALES, GARAGE SALES, OR FLEA MARKETS are allowed on the premises.

#### MOBILE HOME LOTS

- 1. Each lot renter is responsible for keeping the lawn of his lot mowed, trimmed and clean from debris. This should be done each time the management mows the Park. If this is not done by the time the Park is mowed a second time, the management will then mow and trim it, and a service charge will be added to the rent.
- 2. If a fence is required for protection of small children, it will be constructed in accordance with specifications provided by the management, and at the tenant's expense.
- 3. All connections will be made to outlets provided and upon completion will be inspected by the Park management before using. All damages to these water and sewer connections must be repaired at the tenant's expense.
- 4. Exposed water lines to your mobile home must be insulated with heat tape by October 15th or will be disconnected from the park supply. The management reserves the right to inspect any mobile home for water leaks any time they think a water leak is present. No hose or hose outlet is to be hooked up to the water lines, without the prior written consent of the management.
- 5. Storage sheds, awnings, etc. must be approved by the management before installation.
- 6. No storage of any kind except for lawn care equipment or patio accessories will be permitted under the trailer at any time.
- 7. Any tenant owning an Automatic Washing Machine will be required to use 100% Biodegradable - 100% Phosphate Free Detergent. This is available at the office.

#### AUTOMOBILES

- 1. No major repairing or overhauling of cars will be allowed in the Park. No car washing will be permitted unless a place is designated to do so.
- 2. Limit of two (2) cars per lot shall be parked in the designated areas--- and if not operable shall be taken elsewhere for proper storage or parking. No vehicle of any kind will be parked on the patios or yards of the mobile home lots.
- 3. No spinning of tires, throwing gravel or racing of engines will be tolerated
- 4. The speed limit of the Park is 15 m.p.h. and must be observed at all times.

#### CHILDREN

- Parents shall be responsible for the action and conduct of their children at all times and the guests of their children. Please limit their play to your own yard, playground or neighbor's yard when invited.
- Children are not allowed to ride their bicycles on the main road leading in and out of the Park. They are also restricted from playing in or on the shoulders of this same road.
- 3. Children using the playground equipment do so at their own risk. The Park management will not be responsible for any personal injury.
- 4. Bicycles, wagons, toys, etc. must be kept in your own yard or trailer when not being used:

#### PETS

- Permission must be obtained from the management before bringing pets into the Park.
- 2. All pets must be kept inside your trailer. It must be leashed when outside of your trailer, but NOT tied in yards, on patios, in pens or houses.
- 3. You will not be allowed to acquire a pet after you have moved into the Park.
- 4. Complaints on any pets by other tenants of the Park will result in immediate removal of the pet or eviction of the tenants.

MANAGEMENT RESERVES THE RIGHT TO CHANGE OR AMEND THESE RULES AND REGULATIONS, AND TO MAKE ADDITIONAL ONES AT ANY TIME. TENANTS WILL BE GIVEN NOTICE. IF ANY OF THESE RULES ARE BROKEN, THERE WILL BE UP TO A \$50.00 FINE FOR EACH RULE. AFTER THE SECOND FINE FOR THE SAME RULE IS BROKEN, THE TENANT WILL BE GIVEN A 30 DAYS NOTICE TO VACATE.

I have	read	and	understood	the	above	rules	and	agree	to	abide	Ъÿ	them.	
$\bigcirc$	1		a total										

MAGEMENT

Pinetree It)obile Home Et. 1771 Hodgenville IKS. Elizabethtown, IKy. 42701

LOT #

As of The 15th, we have not Received your Lot Rent, utilities, or Trailer payment.

This bill is now 15 days past due. There will be a \$5.00 Service charge plus \$1.00 per day until paid. If not paid by the 25th your water meter will be removed and there will be a Service Charge to have it replaced. Your Total bill of late charges & Service Charges will have to be paid before Reconnection.

	<del>-</del>		
	ree Mobile Home ( R. #7 - Box 40-A ZABETHTOWN, KY. 4270 Phone 737-7077		
CUSTOMER'S ORDER NO.	PHONE DATE	19	
ADDRESS			
CASH COD CH	RGE ON ACCT. MDSE.RETD. PAID OL		
	-		
SOLD BY RECEIVED BY	TAX		
16756	All claims and returned goods accompanied by this bill.  PRODUCT 609 (NEBS) Inc., Groton, Mass. 01471.	Thank You	

5/30/95

ATTENTION TO ALL TENANTS:

EFFECTIVE JULY 1ST THERE WILL BE AN INCREASE IN THE SEWER RATES. IT WILL , ONLY EFFECT ABOUT 1/4 OF THE TENENTS; THOSE WHO USE HIGH AMOUNTS OF WATER. THE PRICE WILL REMAIN THE SAME FOR THOSE WHO USE UP TO 2000 GALLONS; THAT'S 4BOUT 80% OF THE WATER. FROM 2000 TO 3000 IT WILL BE ( 1 1/2¢ ) PER GALLON INCREASE. FOR THOSE USING OVER 3000 GALLONS IT WILL BE A 3¢ PER GALLON ENCREASE.. IF YOU FIND IT IMPOSSIBLE TO MAINTAIN YOUR USAGE UNDER 4000 GALLONS, JE ASK THAT YOU FIND ANOTHER PLACE TO LIVE. OUR SEWER SYSTEM WHEN BUILT WAS ONLY SET UP TO HANDLE 2750 GALLONS. SINCE WE ARE HAVING PROBLEMS WITH THE SEWER SYSTEM RUNNING OVER, THIS WILL BE THE ONLY WAY TO CONTROL IT.